

January 11, 2010

Via Electronic (whitenack.craig@epa.gov) and U.S. Mail

Craig Whitenack, Civil Investigator
United States Environmental Protection Agency
Region IX, Southern California Field Office
600 Wilshire Avenue, Suite 1420
Los Angeles, California 900017
whitenack.craig@epa.gov
(213) 244-1820

**RE: Yosemite Creek Superfund Site - Response of United Airlines to U.S. EPA
Section 104(e) Request for Information**

Dear Mr. Whitenack,

In response to the United States Environmental Protection Agency's ("EPA") Request for Information in the above captioned matter and pursuant to our agreed extension of time to respond, United Air Lines, Inc. (d/b/a United Airlines) ("Respondent") is providing the enclosed response and attachments with respect to the Yosemite Creek Superfund site located in San Francisco, California.

As an initial matter, Respondent objects to the overbroad and unduly burdensome nature of EPA's request. While the Agency's request appropriately defines the years of operation of the Bay Area Drum ("BAD") Site as the "Relevant Period" for purposes of its inquiries into Respondent's activities, the Agency makes no attempt to limit its actual itemized requests for information to the period of BAD Site operations. In fact, the Agency repeatedly and expressly seeks detailed information on the scope and nature of Respondent's operations up to the present time, more than 20 years after the cessation of operations at the BAD site.

Obviously, the specific requests for information, as drafted, are not properly tailored to elicit relevant information from Respondent. Moreover, it is worthy to note that Respondent previously undertook a thorough investigation of its business connections with the BAD Site in response to a state Superfund action by the California Environmental Protection Agency, Department of Toxic Substances Control ("DTSC") in the early 1990s. Respondent determined at that time that its contacts with the BAD Site were limited to the shipment of empty drums to the Site during the years 1980 to 1983. In light of the definitive documentation in its possession, the attached response provides information on the nature of its business contacts and dealings with the BAD Site for the period of time during which it shipped empty drums to the Site. Where appropriate, the response also seeks to provide relevant information regarding its operations up to the time at which BAD Site operations ceased in 1988.

While Respondent has utilized its best efforts to identify relevant documentation, the request seeks detailed information regarding operations dating back almost thirty years. Ultimately, Respondent's response is limited to documentation reasonably available to the

Company at this time. Furthermore, Respondent has attempted to provide its response in a form that is acceptable to the Agency, recognizing the limits of the available information and the burdens imposed on the Company in providing the requested responses. Respondent will supplement this response if additional nonprivileged, relevant and responsive information is identified subsequent to the transmittal of this response.

Finally, Respondent further notes that it filed a voluntary petition for relief under the Bankruptcy Code, Chapter II of Title II of the United States Code, on December 9, 2002, (the "Petition Date"). On February 27, 2003, the U.S. Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court") set "bar dates" for claims that arose on or before the Petition Date; a General Bar Date of May 12, 2003 was established for non-governmental creditors, and governmental units holding or wishing to assert claims were given until June 9, 2003. United's Second Amended Joint Plan of Reorganization (the "Chapter II Plan") was approved by the Bankruptcy Court on January 20, 2006 (the "Confirmation Date"). Article X. B of the Chapter II Plan provided for the discharge of all claims arising before the Confirmation Date, except as otherwise specifically provided for in the Chapter II Plan and subject to exceptions not relevant hereto. We believe that this discharge would apply to any claim arising out of Respondent's connection to the BAD Site.

Any questions may be directed to my attention at the address above.

Very truly yours,

John W. Watson

Response of United Airlines, Inc. to U.S. EPA 104(e) Request for Information

1. Respondent is a corporation organized and existing under and pursuant to the laws of the State of Delaware. Respondent operates nearly 3,000 flights a day to more than 200 U.S. domestic and international destinations from its hubs in Los Angeles, San Francisco, Denver, Chicago and Washington, D.C., based on its annual flight schedule as of January 1, 2009.

2. On December 4, 1991, Respondent received a request for information from the California Environmental Protection Agency, Department of Toxic Substances Control ("DTSC") pursuant to DTSC's investigation of contamination at the BAD Site. At that time and in response to that request for information, Respondent conducted a thorough investigation of its business connections with the BAD Site. The results of that investigation, described in full below, showed that during the years 1980 to 1983 and at no other time (the "Relevant Period"), the United Air Lines Maintenance Operations Center (the "MOC"), located at South Airport Boulevard, South San Francisco, shipped 8,853 empty 55 gallon drums to the BAD Site, approximately 1.82% of the total drums received by the BAD Site.

During the Relevant Period, personnel at the MOC were responsible for the repair, service and overhaul of the aircraft and aircraft components operated by Respondent. For this purpose and during the Relevant Period, the MOC Central Stores Department may have acquired and stored 55-gallon drums of soaps, solvents, Alodine, caustic cleaners, and petroleum-based solvents and lubricants, including various grades of oils and transmission fluids (collectively, the "Hazardous Substances")(any reference to "drums" herein refers to 55-gallon drums). On information and belief, the following procedures for the handling of drums at the MOC during the Relevant Period were followed. Drummed materials were stored in a central storage area and delivered to workstations as needed. Once these materials were used, the empty drums were moved to a staging area to await cleaning and preparation for off-site disposition.

During the Relevant Period, personnel in the Plumbing Department at the MOC cleaned and processed empty drums under the supervision of a Mr. L.T. Whitehouse, who worked for United from 1962 to 1992, during the years 1980 through 1983 in the capacity of Lead Mechanic, Plant Maintenance Plumbing Department. The declaration of Mr. Whitehouse which was provided to DTSC in response to its 1991 inquiry is attached as Exhibit A ("Whitehouse Declaration"). During this time, Plumbing Department personnel cleaned and processed drums according to the following procedure: each drum was rinsed with water and the rinsings were dumped into Rinsing Drums, segregated by the type of material originally stored in the drums being rinsed. Once rinsed, each clean drum was stacked in the clean-drum storage area for removal.

During the Relevant Period, the rinsings contained in the Rinsing Drums were pumped into transfer tanks operated by various licensed waste haulers and, along with other waste liquids, transported to permitted waste disposal sites or treatment facilities, as appropriate. Plumbing Department personnel prepared hazardous waste manifests in accordance with applicable regulations for any waste shipments involving hazardous wastes. Hazardous waste manifests for the Relevant Period are maintained by Respondent at the MOC. These manifests do not reflect any shipments of drums containing waste to the BAD Site.

In connection with its prior investigation into this matter, Respondent interviewed Mr. Whitehouse on several occasions. Respondent also contacted DTSC in May of 1992 to obtain access to the records of the BAD Site. According to the personnel at the DTSC offices in

Berkeley, California, these records comprised all known records of the BAD Site still in existence. On the basis of these inquiries and further investigation, Respondent determined that during the Relevant Period, Mr. Whitehouse arranged for the sale and pick-up of empty drums from the MOC by Jack Hamilton, owner of the BAD Site, who then transported the drums to the BAD Site. Extensive documentation related to shipment of empty drums to the BAD Site by Respondent during the Relevant Period is attached hereto as Exhibit B and C.

Based on its investigation, Respondent determined that the drums sold to Mr. Hamilton and sent to the BAD Site were clean and, with the sole exception of drums originally containing petroleum-based lubricants, contained no visible residues. A de minimis amount of petroleum-based lubricant residue may have clung to the walls of some of the drums originally containing those petroleum substances.

In light of the above, Respondent was named a Potentially Responsible Party ("PRP") for the BAD Site by DTSC. On December 27, 2000, DTSC filed a complaint against all 65 BAD Site PRPs (the "PRP Group" or the "Group"). Under the Consent Decree that was subsequently entered into between DTSC and the PRP Group, the PRP Group agreed to implement an approved remedial action plan for 1212 Thomas Avenue and to pay DTSC \$1,725,000. In order to limit its transaction costs in the matter and without admitting any liability, Respondent subsequently "cashed-out" of the PRP Group by contributing financially to the Group's Facility Fund relative to Respondent's alleged 1.82% share of drums sent to the BAD Site. Respondent received a release and indemnity agreement from the Group for response costs incurred at the Site, including those to be incurred pursuant to the Consent Decree.

3. The MOC has been operational since 1947. For a narrative description of Respondent's operations at MOC as they relate to purchase, storage, use and production of the defined hazardous substances and the cleaning, processing and shipment of empty drums used to store those substances during the Relevant Period, see Response #2 above.

4. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business purpose or applicable law requiring a longer period of retention. Information regarding the storage, production and use of any hazardous substances during the Relevant Period are provided by Respondent within this response. Respondent's knowledge of the Substances of Interest ("SOIs") that were obtained and used at MOC during the Relevant Period is contained in Response # 2 above and in paragraph 3 of the Whitehouse Declaration. Hazardous waste manifests for the Relevant Period are maintained at the MOC.

5. As stated in paragraph 5 of the Whitehouse Declaration, neither PCBs nor pesticides were ever purchased or stored in drums at the MOC during the Relevant Period. Respondent has not identified any information that conflicts with this statement. Based upon the knowledge of current employees at the MOC, namely, Steve Sulgit, current Manager of Environmental Compliance at the MOC, it is believed PCBs were used in some form at the MOC during the Relevant Period, such as in ballasts and possibly transformers at the facility. However, Respondent has identified no information suggesting that any PCBs or pesticides were ever purchased or stored in 55-gallon drums at the MOC during the Relevant Period. Respondent also has no information that COCs such as lead, zinc, and mercury were purchased or stored in drums at the MOC during the Relevant Period. Lead-based paints may have been used during the Relevant Period, but again, Respondent does not believe that such paints were ever stored in 55-gallon drums.

6. As discussed in Response # 5, PCBs and lead-based paint may have been used at the MOC during the Relevant Period, but Respondent does not believe such substances were ever purchased and/or stored in 55-gallon drums. As Respondent only has information documenting the shipment of empty 55-gallon drums from the MOC to the BAD Site, it limits its response to Question 6 accordingly.
7. As discussed in Response # 5, PCBs and lead-based paint may have been used at the MOC during the Relevant Period, but Respondent does not believe such substances were ever purchased and/or stored in 55-gallon drums. As Respondent only has information documenting the shipment of empty 55-gallon drums from the MOC to the BAD Site, it limits its response to Question 7 accordingly.
8. As discussed in Response # 5, PCBs and lead-based paint may have been used at the MOC during the Relevant Period, but Respondent does not believe such substances were ever stored in 55-gallon drums. As Respondent only has information documenting the shipment of empty 55-gallon drums from the MOC to the BAD Site, it limits its response to Question 8 accordingly.
9. As discussed in Response # 5, PCBs and lead-based paint may have been used at the MOC during the Relevant Period, but Respondent does not believe such substances were ever purchased and/or stored in 55-gallon drums. As Respondent only has information documenting the shipment of empty 55-gallon drums from the MOC to the BAD Site, it limits its response to Question 9 accordingly.
10. Yes. Respondent believes that during the Relevant Period it purchased, used and stored "hydraulic oil or transformer oil" at MOC. However, Respondent does not believe transformer oil was ever purchased and/or stored in 55-gallon drums during the Relevant Period.
11. During the Relevant Period, the MOC purchased, used and stored petroleum-based solvents and lubricants, including various grades of oils and transmission fluids.
12. Respondent is informed and believes that the substances described in Response # 11 were maintained in some form at the MOC throughout the Relevant Period.
13. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business purpose or applicable law requiring a longer period of retention. As such, Respondent cannot describe the purchasing of the substances described in Response # 11 during the Relevant Period.
14. Respondent estimates that during the Relevant Period the MOC disposed of an average annual quantity of 140,000 gallons of the substances described in Response # 11. These substances were removed for processing by a permitted treatment, storage and disposal facility. As described in Response #2, Respondent is informed and believes that none of the substances described in Response #11, with the possible exception of de minimis amounts of oil-based lubricants remaining in empty drums after cleaning, were disposed of by Respondent at the BAD Site.
15. The substances described in Response # 11 were used at the MOC site in order to service Respondent's fleet of aircraft and aircraft components, as well as maintain the facility assets, equipment, and vehicle fleet. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business

purpose or applicable law requiring a longer period of retention. As such, Respondent cannot describe the supply of these materials during the Relevant Period.

16. The substances described in Response # 11 were generally delivered to the MOC in closed 55-gallon drums during the Relevant Period. Respondent has no knowledge of whether the containers in which such substances were delivered to the MOC were used or new.

17. Respondent's drum disposal practices at the MOC during the Relevant Period are described in Response # 2 above.

18. Respondent's drum disposal practices at the MOC during the Relevant Period are described in Response # 2 above. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business purpose or applicable law requiring a longer period of retention. The receiving tickets issued to Mr. L.T. Whitehouse in connection with shipment of Substance Holding Containers ("SHC's") to the BAD Site are attached as Exhibit B. The checks received by Mr. Whitehouse in connection with the sale of these SHCs are attached as Exhibit C.

19. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business purpose or applicable law requiring a longer period of retention. Respondent's knowledge of SHC's shipped to the BAD Site is contained in Response # 2. Respondent has no information concerning the ownership or use of any SHC's prior to their delivery to the MOC during the Relevant Period.

20. United Airlines' purchasing department was responsible for procurement at the MOC during the Relevant Period.

21. Respondent's knowledge of how hazardous substances were collected and stored at the MOC prior to disposal/recycling/sale/transport during the Relevant Period is contained in Response # 2.

22. During the Relevant Period, Respondent generally disposed of waste in 55-gallon drums, 20-yard roll-off boxes and/or bulk tankers. Respondent is not aware of any particular colors or labels used to identify those shipments. Respondent has no information concerning the ownership or use of any SHC's prior to their delivery to the MOC during the Relevant Period. No drums containing waste were sent to the BAD Site by Respondent.

23. Respondent's drum disposal practices at the MOC during the Relevant Period are described in Response # 2 above. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business purpose or applicable law requiring a longer period of retention. Respondent has no information concerning the ownership or use of any SHC's prior to their delivery to the MOC. Respondent's knowledge of SHC's shipped to the BAD Site is contained in Response # 2.

24. Mr. Lawrence T. Whitehouse worked for Respondent from 1962 to 1992 and in the capacity of Lead Mechanic, Plant Maintenance Plumbing Department during the Relevant Period. Mr. Whitehouse had knowledge of Respondent's drum disposal practices during the Relevant Period as described herein. His last address on file with Respondent is

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Privacy Act

Hilton Ward Dabney and Dwayne F. Harold both served as "maintenance specialists" and handled waste management during some portion of the period from 1980 to 1988. Mr. Dabney worked with Respondent during the years 1966 to 1987. His last address on file with Respondent is [Privacy Act] Mr. Harold worked for Respondent during the years 1967 to 2003. His last address on file with Respondent is [Privacy Act] [Privacy Act] Steven Sulgit is the current Manager of Environmental Compliance at the MOC. As such, Mr. Sulgit oversees Respondent's waste management program and has certain knowledge of the history of waste management operations at the MOC. Mr. Sulgit only provided some of the information contained in this response and was not in a waste management position with Respondent during the Relevant Period. Mr. Sulgit is currently employed at the MOC, South Airport Boulevard, San Francisco, CA.

25. On information and belief, Respondent may have purchased drums from a drum recycler or drum reconditioner during the Relevant Period. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business purpose or applicable law requiring a longer period of retention. As such, Respondent is unable to confirm whether and to what extent such transactions took place.

26. To the best of Respondent's knowledge, different waste streams have always been kept separate at the MOC.

27. Respondent is informed and believes that at least one of the COCs was addressed by the cleanup of the BAD Site, initially undertaken by the California DTSC and later undertaken by the BAD Site PRP Group. Respondent's payment of cleanup costs for the BAD Site is described above in Response #2. Respondent does not have any record of correspondence directly between DTSC and Respondent that identifies a COC.

28. All records of communication between Respondent and Bay Area Drum Company, Inc. are attached as Exhibits B and C.

29. Respondent's policy at the MOC during the Relevant Period was to retain storage, production and purchasing records for a period of two (2) years absent a business purpose or applicable law requiring a longer period of retention. Hazardous waste manifests for the MOC are maintained in accordance with applicable law. No hazardous waste was sent to the BAD Site by Respondent.

30. See attached Exhibits A through C.

Dated: January 11, 2009

By 

For Respondent, United Air Lines, Inc.